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UNCLAS BOGOTA 001657

SIPDIS

DEPT PLEASE PASS TO OPIC, LOREN RODWIN, SENIOR INVESTMENT
OFFICER, STRUCTURED FINANCE

E.O. 12958: N/A

TAGS: [EINV](#) [CO](#)

SUBJECT: WOMEN'S WORLD BANKING CALI OPIC APPLICATION

REF: SECSTATE 30469

1. Per reftel, Econoffs reviewed Women's World Banking Cali (WWB) and have found it to be a reputable organization. WWB was established in 1982 and is known in Latin America as a financially sound microcredit agency. It won the Inter-American Development Bank's Award for Excellence in Microfinance in 1999. WWB has aimed at becoming more efficient. Compared to other microcredit agencies in Latin America, WWB offers a low cost program with a small staff. Their program is aimed at helping individual women in the poorest levels of society.

2. WWB has already benefited from international assistance. Recent loans by USAID, Deutsche Bank and the Interamerican Development Bank have helped to raise the number of clients to over 49,000 and the loan portfolio to USD 22,231,000. WWB has 12 branches around Colombia with approximately 185 staff members. In 2001, 2.2 percent of WWB's average portfolio had to be written off. WWB's operating expense to average loan ratio was 11.6 percent in 2002, down from 13.6 percent the previous year. To increase confidence in their program, WWB offers access to their externally audited financial statements.

3. WWB requires no collateral, and loans start at USD 160 with an average term of 14 months. Borrowers are charged a 2.4 percent monthly interest rate and a fee for their credit evaluation. Borrowers use loans for commerce (59 percent), manufacturing (27 percent) and service delivery (14 percent) with most loans under USD 450. To add flexibility, WWB offers various financing options dependent upon borrowers, credit histories.

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